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PACIFIC  TELESIS
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June 25, 1992

JUN 25 1992

Federal Communications Commission
Office of the Secretary

Donna R. Searcy
Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

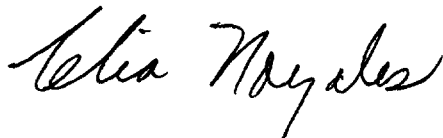
Dear Ms Searcy:

Re: *CC Docket No. 92-90 - The Telephone Consumer Protection Act of 1991*

On behalf of Pacific Bell and Nevada Bell, please find enclosed an original and six copies of its "Reply Comments" in the above proceeding.

Please stamp and return the provided copy to confirm your receipt. Please contact me should you have any questions or require additional information concerning this matter.

Sincerely,



Enclosures

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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

JUN 25 1992

Federal Communications Commission
Office of the Secretary

In the Matter of)
)
The Telephone Consumer Protection) CC Docket No. 92-90
Act of 1991)
)
)

REPLY COMMENTS OF PACIFIC BELL AND NEVADA BELL

Pacific Bell and Nevada Bell ("the Pacific Companies") file these reply comments to the Commission's Notice of Proposed Rulemaking ("NPRM") issued April 19, 1992. These reply comments center on a couple of issues raised by certain commenters.

I. THE PROPOSAL TO USE LIDB AS A TELEPHONE SOLICITATION DATABASE RAISES NUMEROUS ISSUES WHICH WOULD NEED TO BE ADDRESSED BEFORE IMPLEMENTATION

Independent Telecommunications Network, Inc ("ITN") suggested that the Line Information Database ("LIDB") be used to provide the database solution to restricting telemarketing activities for those residential subscribers who do not wish to receive these calls. ITN claims that the system is already in operation, and can be used to prescreen both live operator and autodialed telephone solicitations.¹ While such a proposal is novel and may be worthy of investigation, the Commission should understand some of the complexities inherent in ITN's proposal.

¹ ITN comments at 2.

First, contrary to ITN's assertions, using LIDB for this purpose would necessitate industry meetings and concurrence as to the location of the field, the structure of the query and response and the screening and routing requirements. Also, procedures would need to be developed for order entry to populate the data field and to take complaints or demands for status changes from customers. The current process for LIDB does not support all of these items.

Secondly, ITN suggests that the per query charge for telemarketing blocking would be lower than the existing rate for card validation.² However, ITN's rates for LIDB based services are not subject to tariff, and therefore, we do not know how their rates are developed. On the other hand, the Pacific Companies' rates are tariffed and based on unit costs. The loading of the LIDB data and its maintenance and security will not necessarily change downward due to more volume. The SS7 network costs might increase with design changes needed to support a new type of query, and additional screening and routing. Also, the substantial costs of balloting subscribers on the blocking preference, as well as related complaints and ongoing monitoring would need to be added. Therefore, we cannot agree with ITN's statement that the per query rates would fall if this new capability were added to the LIDB function.

² ITN comments at 6.

The Pacific Companies are not ruling out the use of LIDB for the purpose of implementing the requirements of the Telephone Consumer Protection Act of 1991 ("the Act"). However, implementation items such as timing and costs need to be fully explored before any action is taken. Full cost recovery would need to be an integral part of the proposal in order for us to support it.

II. PREDICTIVE DIALERS INCREASE PRODUCTIVITY AND SHOULD NOT BE RESTRICTED

Some commenters have argued that predictive dialers should have the same restrictions as autodialed calls containing a recorded message.³ Others have pointed to the different nature of a predictive dialer to justify their use without restriction.⁴ The Pacific Companies support the managed use of predictive dialers. Predictive dialers greatly increase efficiency by allowing an operator to speak directly with customers and not have to spend unproductive time dialing a call or waiting for an answer. The Pacific Companies use predictive dialers for collection, account validation, or customer contact about a recent sale. At the Pacific Companies, we engineer our predictive dialers to such a high level that virtually no calls (0.3%) go into an overload situation where a "please hold" announcement is made. We are very sensitive to customer reaction

³ Zacson Comments.

⁴ See, e.g., Ameritech Comments at 7.

to such announcements, and do everything in our power to avoid the situation. This responsible use of predictive dialers should be allowed to continue without restriction.

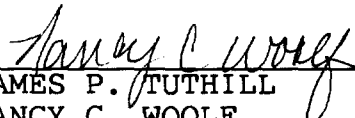
III. CONCLUSION

ITN has raised an interesting proposal regarding the use of LIDB as the database to screen calls from telemarketers. However, substantial costs will be involved in balloting for consumer choice and converting the existing database to handle these types of queries. Further, implementation time could be lengthy since industry standards would need to be generated to accommodate this use of the system. However, LIDB may be an appropriate solution; full investigation is needed before we know whether it would indeed be feasible.

While automatic dialing systems with artificial or prerecorded voice messages are restricted under the terms of the Act, the Commission should not similarly restrict the use of predictive dialers, which perform an important function if used properly.

Respectfully submitted,

PACIFIC BELL
NEVADA BELL



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Date: June 24, 1992